

**Testimony in Opposition of Senate Bill 646
School Construction – Public Charter School Facility Fund - Establishment**

**Senate Budget and Taxation Committee
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The Maryland State Education Association opposes Senate Bill 646. Senate Bill 646 establishes the Public Charter School Facility Fund, which would provide annual funding directly to public charter schools for certain expenses associated with public charter school facilities. Under the bill, the annual funding from the Public Charter School Facility Fund is provided directly to the public charter school and may not be paid to a local government or county board.

MSEA represents 75,000 educators and school employees who work in Maryland's public schools, teaching and preparing our almost 900,000 students so they can pursue their dreams. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3-million-member National Education Association (NEA).

Under Maryland's Public Charter School Program, individuals or groups seeking to establish a public charter school must demonstrate as part of their initial application that the proposed public charter school has secured a facility that is suitable for the instruction of students.¹ Public charter schools may also be eligible to use existing school sites or buildings, subject to the approval of the state superintendent and the local board of education.² Additionally, public charter schools in Maryland are eligible to participate in the Maryland Charter Schools Program Grants.³ Public charter

¹ MD Code, Education, § 9-104(a)(6)(ii).

² MD Code, Education, § 9-111.

³ Maryland State Department of Education, *Maryland Charter Schools Program Grants*, <https://marylandpublicschools.org/programs/Pages/Charter-Schools/CSPGrant.aspx> (last accessed March 4, 2023).



schools may be eligible to receive up to \$900,000 under this grant program, and may use the funds to conduct facilities repairs, obtain equipment and materials, and other expenditures related to the preparation and operation of the charter school.⁴ Public charter school buildings are also exempt from property taxes.⁵ Moreover, public charter schools receive public funding from local boards of education that is commensurate with the amount of funds received by other public schools in the local jurisdiction, and public charter schools may receive surplus educational materials, furniture, supplies, and other equipment from the State Board of Education or the local county board of education.⁶ Finally, public charter schools are eligible for funding for capital construction and systemic renovation projects if they are operating from a facility owned by a local school system and the funding request is submitted by the local school system in which the charter school operates. In sum, public charter schools have ample opportunity and various avenues to pursue funding for facilities.

Local education agencies are facing increasing fiscal challenges due to their funding obligations under the Blueprint, the increased cost of compensatory education from better identification methods for eligibility enrollment in the free and reduced-price meals programs, and ongoing capital projects. SB 646 would require approximately \$50 million in taxpayer funding annually, which would only benefit charter schools.

Senate Bill 646 runs counter to our union's core principles by establishing a facilities fund that is exclusively for the use of public charter schools at the expense of public funding that is not available for traditional public schools and distributes funding outside the control of local governing bodies, including local boards of education. For these reasons, MSEA cannot support Senate Bill 646.

We urge the committee to issue an unfavorable report on Senate Bill 646.

⁴ Maryland State Department of Education, *Grants for the Start-Up, Replication, and Expansion of Public Charter Schools*, p. 1 (April 2022), https://marylandpublicschools.org/programs/Documents/Charter-Schools/GrantPurpose2022_Rev.pdf.

⁵ MD Code, Education, § 9-112.

⁶ MD Code, Education, § 9-109.